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COMMERCIAL BANKS FUNCTIONING IN ARMENIA

As of 31.03.2010, there have been 22 commercial banks with a total of 389 branch offices, functioning in the territory of the Republic of Armenia. In the period under review, coupled with spurring up of the economy, growth trends observable throughout previous two quarters in a row persisted in the banking market. Assets and loans of the banking sector reported growth by 4.3 percent and 6.3 percent, respectively.

TOTAL CAPITAL OF COMMERCIAL BANKS

In the first quarter of 2010 total capital of commercial banks has grown by 2.5 percent (AMD 7.0 billion) and amounted to AMD 285.4 billion.

During the quarter two banks have replenished their statutory capital by a total of AMD 4.1 billion.

During the quarter the total assets to total capital ratio has reduced by 0.4 pp to 20.6 percent, while the total capital adequacy ratio has grown by 0.2 pp to 28.6 percent.

TOTAL LIABILITIES OF COMMERCIAL BANKS

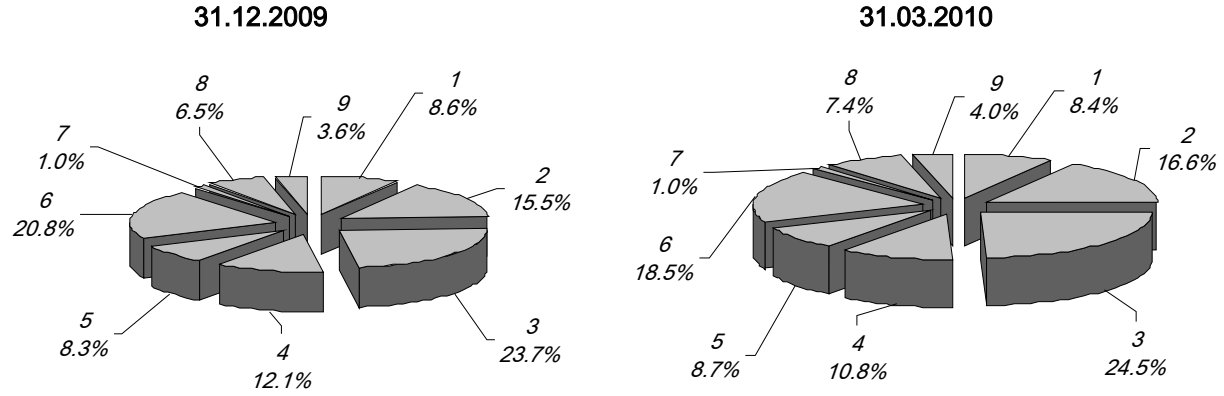
In the period under review total liabilities of the banking sector have grown by 4.8 percent (AMD 50.6 billion) and amounted to AMD 1 trillion 98.2 billion. 15 banks reported increases and 7 banks reported decreases in total liabilities.

In the structure of liabilities growth has been recorded with regard to liabilities to the Government, by 21.0 percent (AMD 14.2 billion) and demand and term deposits of legal persons and natural persons, by 5.6 percent (AMD 35.2 billion).

As of 31.03.2010 total amount of commercial bank deposits has been AMD 662.0 billion.

Demand and term deposits of natural persons have grown by 6.7 percent (AMD 22.7 billion) and demand and term deposits of legal persons, by 4.3 percent (AMD 12.5 billion).

Structure of commercial bank assets



1. Demand deposits of natural persons, 2. Demand deposits of legal persons, 3. Term deposits of natural persons, 4. Term deposits of legal persons, 5. Liabilities to other financial organizations, 6. Banks' correspondent accounts and other liabilities (including Central Bank), 7. Interest payable, 8. Liabilities to Government, 9. Other liabilities.

During the quarter the share of demand liabilities of legal persons, terms deposits of natural persons and liabilities to the Government has increased in the liabilities portfolio.

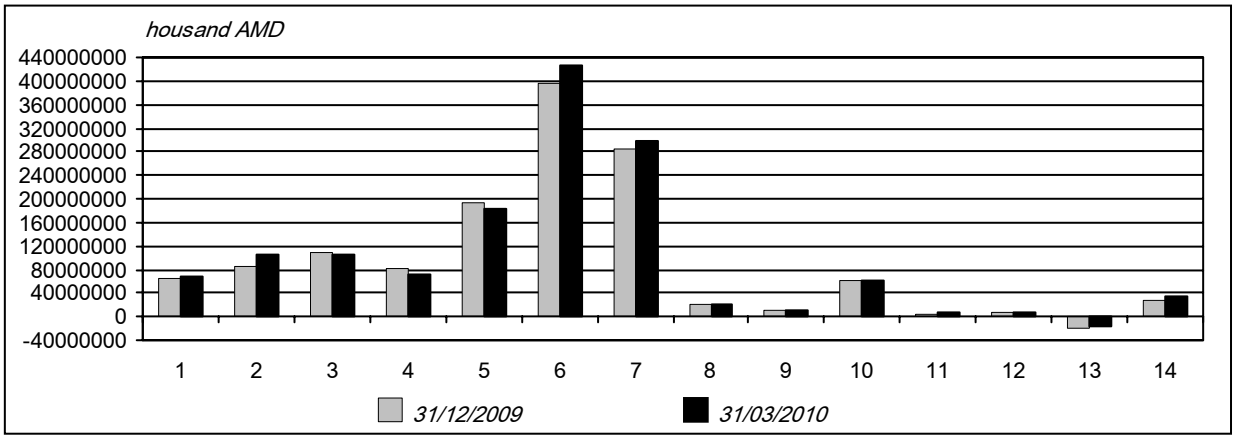
TOTAL ASSETS OF COMMERCIAL BANKS

In the period under review total assets of commercial banks have grown by 4.3 percent (AMD 57.6 billion) and reached AMD 1 trillion 383.6 billion. 15 banks reported increases, and 7 banks reported decreases, of assets. The main increases on assets were reported for correspondent (nostro) accounts with commercial banks, by 23.8 percent (AMD 20.4 billion), and loans to the economy, by 6.3 percent (AMD 44.1 billion).

Loans to legal persons have increased by 7.9 percent (AMD 31.4 billion); loans to natural persons, by 4.2 percent (AMD 12.0 billion), and loans to bank insiders, by 3.2 percent (AMD 0.7 billion).

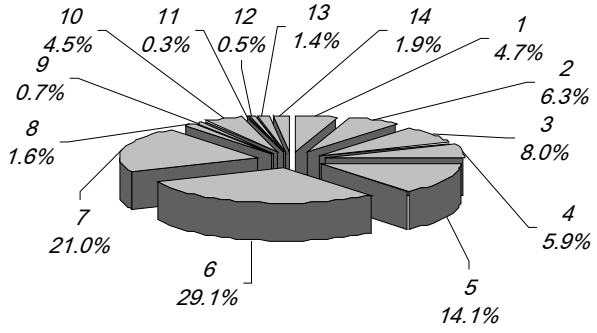
As of 31.03.2010 the portfolio of banking system lending to the economy has been AMD 747.5 billion, of which 57.2 percent constituted loans to legal persons, 39.8 percent loans to natural persons, and 3.0 percent loans to bank insiders.

Commercial bank assets

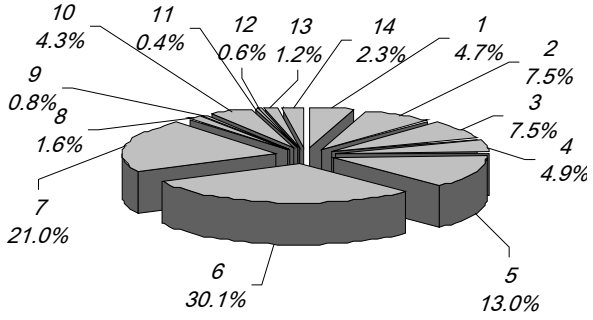


Structure of commercial bank assets

31.12.2009



31.03.2010



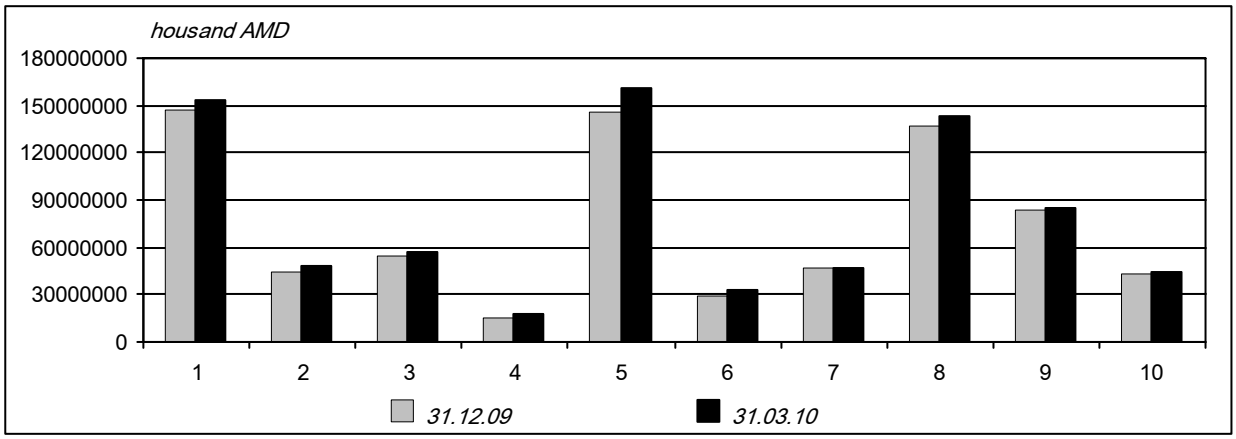
1. Cash
2. Correspondent accounts with banks
3. Government securities (including repurchase agreements)
4. Claims on banks and other financial organizations
5. Correspondent accounts with CBA and other claims on CBA
6. Loans to legal persons
7. Loans to natural persons
8. Loans to bank insiders
9. Accrued interest receivable
10. Fixed assets
11. Other securities
12. Leasing and factoring (excluding inter-bank)
13. Reserve fund
14. Other assets

In the period under review, banking system loans and accounts receivable (including inter-bank deposits and loans, repurchase agreements, leasing, and factoring) have increased by 4.3 percent (AMD 34.9 billion) and amounted to AMD 841.1 billion. Dram loans and receivables have grown by 3.6 percent and amounted to AMD 384.4 billion, and foreign currency loans and accounts receivable have grown by 5.0 percent and amounted to AMD 456.7 billion. As a result, the share of dram loans and accounts receivable in total has reduced by 0.3 pp to 45.7 percent.

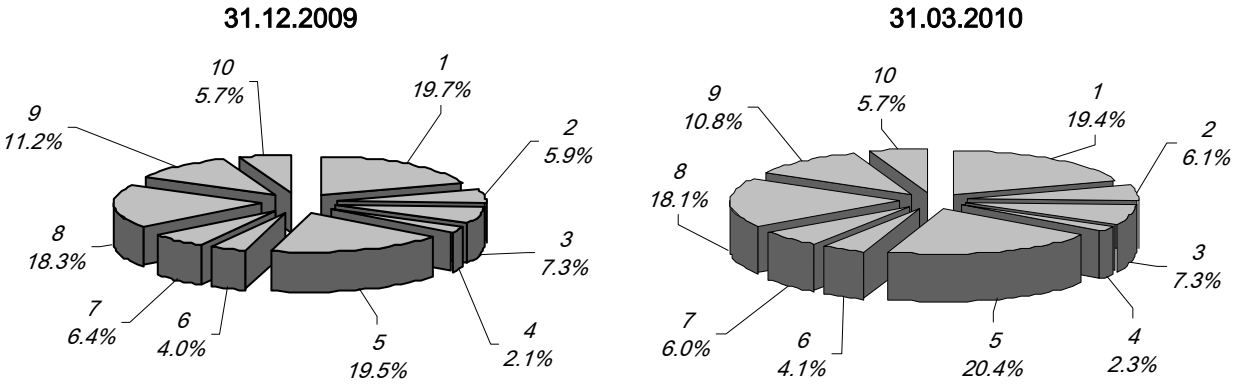
Loans to and accounts receivable from non-residents have decreased by 14.8 percent, whereas loans to and accounts receivable from residents have increased by 5.9 percent and amounted to AMD 51.0 billion and AMD 790.1 billion, respectively.

In the structure of resident loan investment, the largest increase has been reported for industry loans (AMD 15.5 billion) which pushed their share in resident loan investment up by 0.9 pp.

Volume of commercial bank loans to residents, by sectors of the economy



Structure of commercial bank loans to residents, by sectors of the economy



1. Industry, 2.Agriculture, 3. Construction, 4. Transport and Communications, 5. Trade, 6. Public catering and other services, 7. Financial sector, 8. Consumer loans, 9. Mortgage loans, 10. Other sectors

The share of "standard" category assets of commercial banks has reduced by 0.6 pp making up 95.2 percent of total loans and accounts receivable. As of 31.03.2010, "watch" category loans and receivables of the banking system have constituted 2.5 percent of the total; "substandard" category loans and receivables, 1.8 percent, and "doubtful" category loans and receivables, 0.5 percent.

In the period under review, the total liquidity ratio of commercial banks has dropped by 0.5 pp, and the current liquidity ratio, by 0.4 pp, making up 33.9 percent and 140.4 percent, respectively.

INCOME AND EXPENSE ACCOUNT OF COMMERCIAL BANKS

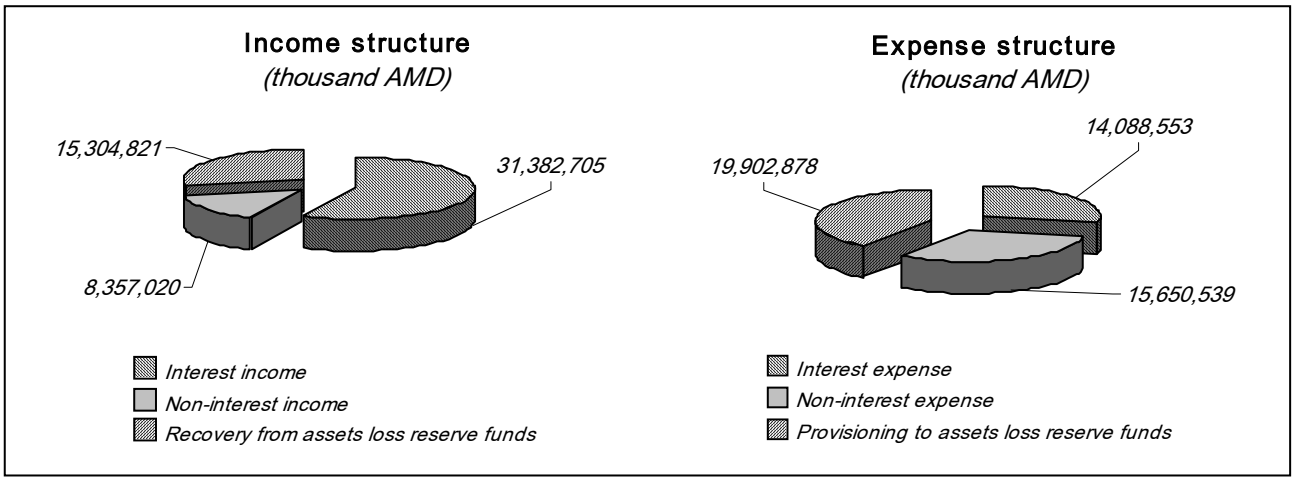
As shown in supervision service reporting, in the first quarter of 2010 the banking sector generated net profit [after tax] of AMD 4.2 billion[1]. Return on assets has been 1.3 percent; return on equity, 6.1 percent. 18 banks posted profit and 4 banks posted loss.

According to IFRS, net profit of the banking sector in the first quarter of 2010 has been AMD 6.7 billion; return on assets, 2.0 percent; and return on equity, 9.5 percent.

[1] *The main reason for a large discrepancy between the Central Bank reports and reports submitted according to IFRS is the practice to make provisioning of standard assets to reserves on potential losses at the amount of 1 percent. This is the amount to which extent banks recognize it as expense.*

Commercial banks generated a total of AMD 55.0 billion gross revenue and executed a total of AMD 49.6 billion gross expenditures (as shown in supervision service reporting). As of 31.03.2010, the pre-tax profit of the banking system has been AMD 5.4 billion.

Commercial bank income and expense structure, 2009



In the structure of gross income of the banking system, proceeds of loans to economy accounted for 81.1 percent of interest income, and commission fees accounted for 46.6 percent and FX trades accounted for 33.3 percent of non-interest income.

In the structure of gross expense of the banking system, interest paid on term deposits accounted for 52.2 percent of interest expense, and bank employee salary and salary equivalents accounted for 42.9 percent of non-interest expense.

During the year the share of net provisioning (AMD 4.6 billion) constituted 0.3 percent of total assets of the banking sector.

CREDIT ORGANIZATIONS

In the fourth quarter of 2010 an activity license has been granted to Credit Organization "Home to Young" UCO CJSC.

As of 31/03/2010 there have been 28 credit organizations, with a total of 56 branch offices, functioning in the territory of the Republic of Armenia.

In the period under review total assets of credit organizations have increased by 11.9 percent (AMD 9.0 billion) to AMD 84.4 billion. 26 credit organizations reported increases, and 2 reported decreases, of assets.

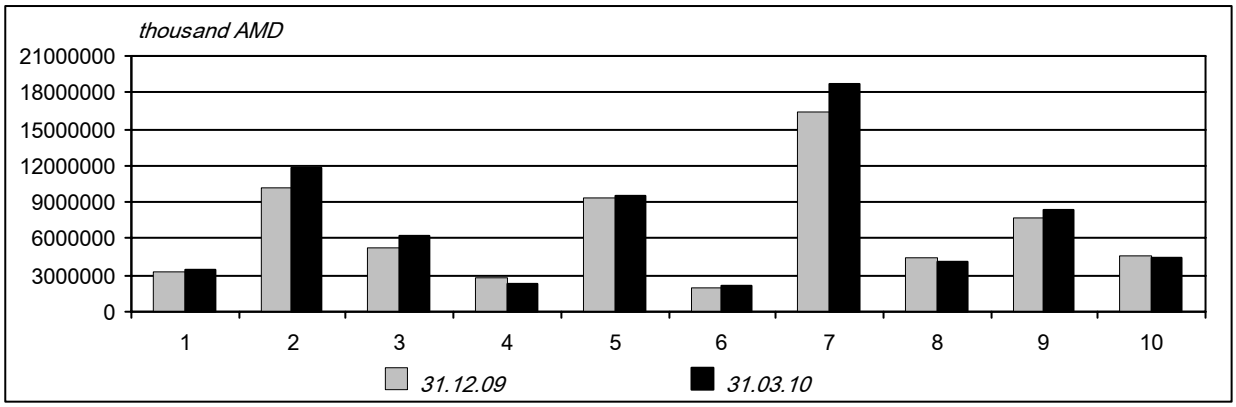
In the period under review the total lending to the economy (including leasing) by credit organizations has increased by 5.1 percent or AMD 2.5 billion to amount to AMD 52.9 billion. The value of dram loans and leasing has increased by 7.1 percent (AMD 1.9 billion) while the value of foreign currency loans and leasing has reduced by 2.8 percent (AMD 0.7 billion). Loans to natural persons have grown by 5.8 percent to amount to AMD 33.8 billion, and loans to legal persons, by 7.1 percent to amount to AMD 12.8 billion. The total volume of leasing has shrunk by 7.6 percent to amount to AMD 4.9 billion.

The total volume of credit organizations' loans to and accounts receivable on residents has increased by 9.1 percent (AMD 5.9 billion) to amount to AMD 71.1 billion. During the quarter the shares of loans to agriculture, construction and financial sector have grown in loan investments.

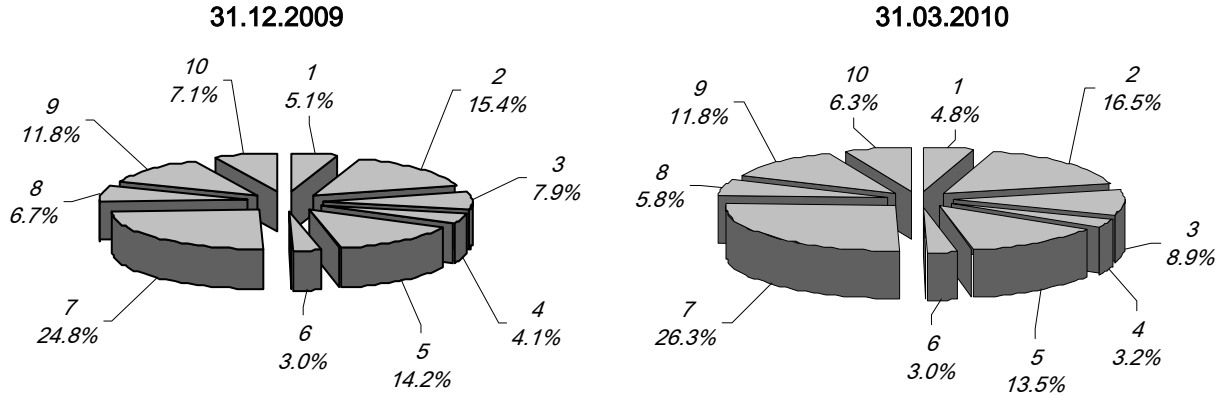
In terms of risk classification of the loan portfolio, the share of 'standard' category loans and receivables in total has reduced during the quarter by 0.3 pp to 95.6 percent. The share of 'watch' category loans and receivables has amounted to 2.8 percent in total loans of credit organizations; the share of 'substandard' category loans and receivables, 1.0 percent; and the share of 'doubtful' loans and receivables, 0.6 percent.

Net profit of credit organizations for the year has been AMD 72 million. Since the beginning of the year, 23 credit organizations have posted profit and 5 have posted loss.

Credit organization loans to residents, by sectors of economy



Credit organization loans to residents, by sectors of economy



1. Industry, 2. Agriculture, 3. Construction, 4. Transport and communications,
5. Trade, 6. Public catering and related services, 7. Financial sector, 8. Consumer loans, 9. Mortgage loans, 10. Other sectors

According to IFRS, net profit of credit organizations for the first quarter has been AMD 1.2 billion.

Total liabilities of credit organizations have grown by 12.1 percent (AMD 6.0 billion) and amounted to AMD 55.6 billion at the end of the year. Liabilities to banks and other financial institutions have grown by AMD 3.0 billion; liabilities to natural persons and legal persons, by AMD 3.0 billion and AMD 1.8 billion, respectively, and liabilities to the Government, by AMD 1.1 billion.

External debt of Armenian commercial banks and credit organizations as of 31/03/2010

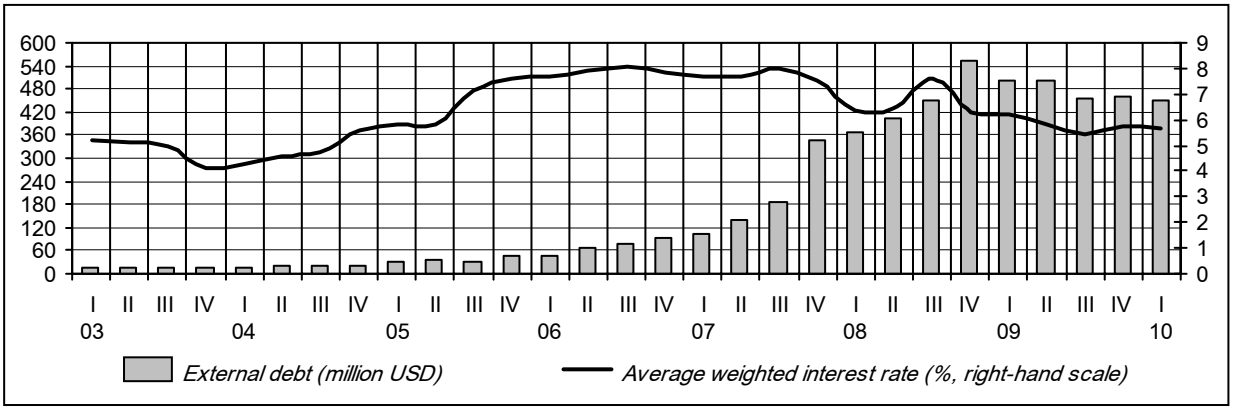
As of the end of the first quarter of 2009 loan obligations[1] of Armenian commercial banks and credit organizations to the rest of the world have amounted to USD 450.3 million versus USD 462.1 million recorded at the end of the previous quarter. During the quarter commercial banks and credit organizations attracted loan resources of USD 91.9 million from the rest of the world and made amortization repayments[2] in the amount of USD 86.9 million against loans outstanding.

At the end of the first quarter of 2010 the main lenders to commercial banks and credit organizations have been Russia (with its share of 13.5 percent in total versus 17.4 percent in the previous quarter), Luxemburg (11.8 percent versus 6.5 percent), France (11.8 percent versus 11.5 percent), Germany (9.9 percent versus 9.7 percent), and Latvia (7.1 percent versus 6.8 percent). International financial organizations have accounted for about 22 percent of providers of loans[3].

Loans attracted from the rest of the world have been allocated in the following sectors of the economy: USD 156 million to financial sector, USD 84 million to industry sector, USD 72 million to trade sector and USD 46 million to consumer and mortgage loans sector.

At the end of the first quarter of 2010 the average-weighted interest rate of loans has not changed in relation to the previous yearend and remained 5.7 percent. About 66.9 percent of external loans are with floating interest rates (LIBOR, EURIBOR, CBA securities). The average maturity of the loans is about 4.8 years. The share of short-term loans has reduced to 3.4 percent of total loans received (compared with 7.4 percent at the end of the previous quarter).

External private debt of the Armenian commercial banks, 2003 – 2009



[1] Excluding loans of international financial institutions and other lenders received through the Government in the framework of various programs.

[2] The amount of net attraction in previous and reporting periods varies from the actual figure as funds attracted are expressed in different currencies which is why, when expressed in dollar equivalent, they include the exchange rate revaluations.

[3] In previous publications, loans received from international organizations included funds from some non-international institutions, which have been classified in the reporting period.

As of 31/03/2010 credit organizations' liabilities to banks have been AMD 21.8 billion, liabilities to other financial organizations, AMD 13.1 billion, liabilities to natural persons and legal persons, AMD 13.3 billion, liabilities to the Government, AMD 5.1 billion, and other liabilities, AMD 2.3 billion.

INSURANCE COMPANIES

As of 31/03/2010 there have been 12 insurance companies functioning in the territory of the Republic of Armenia[2].

In the period under review assets of insurance companies have reduced by 1.0 percent to AMD 16.8 billion, liabilities, by 2.1 percent to AMD 4.6 billion and total capital, by 0.6 percent to AMD 12.2 billion, as of the end of the quarter.

In the assets portfolio of insurance companies, deposits with banks accounted for the largest share (64.7 percent), accounts receivable in respect of direct insurance constituted 9.7 percent and bank accounts constituted 6.9 percent in total.

In the liabilities portfolio of insurance companies, the reserve for unearned insurance premiums accounted for the largest share (48.2 percent) and accounts payable to reinsurers accounted for 19.6 percent.

In the first quarter insurance companies' profit after profit tax amounted to AMD 362.6 million. 9 insurance companies posted profit and 2 posted loss. The profit of insurance companies having posted profit reached AMD 732.9 million.

According to IFRS, net profit of insurance companies for the first quarter has been AMD 712 million.

In the first quarter accrued premiums amounted to AMD 1.9 billion. Premiums under risks transferred to reliable reinsurers amounted to AMD 569.1 million or 30.0 percent in total insurance premiums.

Insurance indemnities amounted to AMD 354.6 million, while sums on insurance indemnities from reinsurers reached AMD 114.4 million or 32.2 percent in total insurance indemnities.

As of 31/12/2010 insurance companies have reported 48.6 thousand insurance contracts in use, with sums insured under these contracts totaling AMD 3.34 trillion. Sums reinsured transferable to reinsurers from sums insured amounted to AMD 2.9 trillion or 86.8 percent of insurance cover.

[2] This represents figures of 11 insurance companies, as the firm London-Yerevan has not submitted the first quarter 2010 statements to the Central Bank.

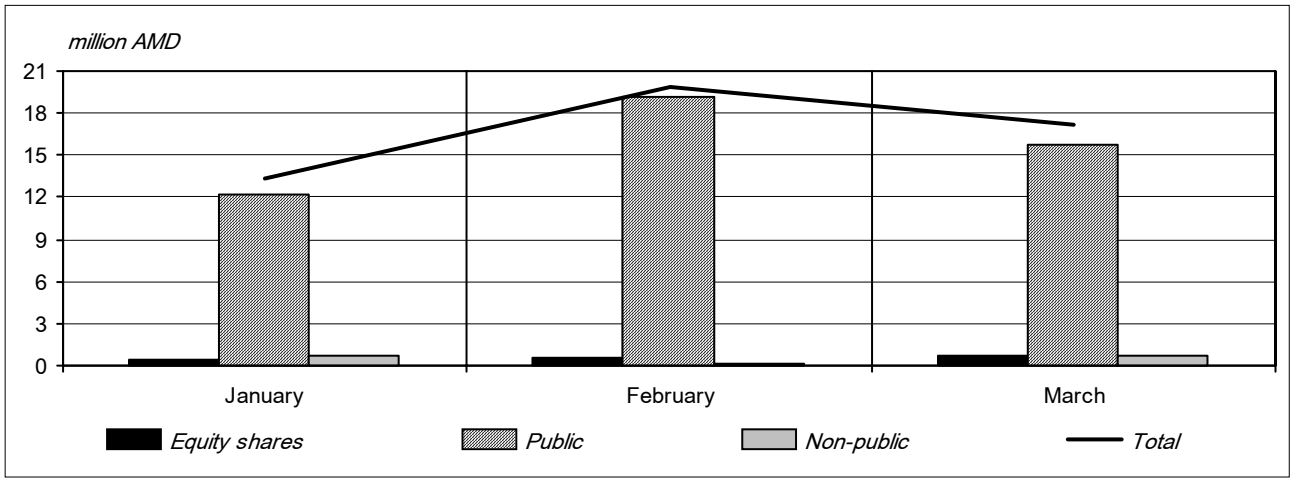
SECURITIES MARKET PARTICIPANTS

As of 31/12/2010 there have been 22 banks and 8 investment companies engaged in providing investment services in the Armenian securities market. All these 8 investment companies are entitled to carry out transactions with securities on their behalf or on their customers' behalf and to their expense or to their customers' expense. All eight investment companies are entitled to take and handle orders from customers for carrying out transactions with securities; five are entitled to provide advisory services relating to investment with securities; six are entitled to perform securities allocation activities; three are entitled to manage securities portfolios.

As of 31/12/2010 total assets of investment companies have amounted to AMD 13.9 billion, reduced by 10.8 percent in relation to the previous quarter. Total capital of investment companies has decreased by 0.5 percent during the quarter to AMD 2.9 billion.

In the first quarter the volume of securities trading in the Armenian securities market for investment operations has shrunk by 22.5 percent against the previous quarter, to make up AMD 50.4 billion. The volume of trading in corporate securities has reduced by 73.5 percent to AMD 1.6 billion. The volume of trading in shares has decreased by 33.5 percent to AMD 1.8 billion. The volume of trading in treasury bills has reduced by 16.3 percent and reached AMD 47.0 billion. Based on the first quarter results, operations on treasury bills prevailed in the total securities market operations, constituting 93.2 percent of total securities market turnover. Shares of operations on corporate securities constituted 3.2 percent and 3.6 percent, respectively, in total.

Operations on trades of securities by investment companies in 2010



In the trades of government securities, the medium-term treasury bills reported the largest share, 70 percent of the operations versus 77 percent in the previous quarter. The share of long-term and short-term treasury bills in the total traded volume of government securities constituted 20 percent and 10 percent, respectively (20 percent and 3 percent in the previous quarter).

The volume of operations performed in the regulated market by investment service providers constituted 16.7 percent of total investment operations carried out.

The volume of operations carried out in the regulated market has reduced by 36 percent in relation to the previous quarter and amounted to AMD 4.2 billion, with repurchase transactions, corporate securities and treasury bills operations accounting for 58 percent, 7.2 percent and 24.7 percent, respectively, in total operations.

In the structure of operations performed as investment activities off the regulated market, operations by investment companies accounted for 89 percent and operations by commercial banks as investment service provider accounted for 11 percent in total.

The volume of repurchase transactions performed as investment activities (including repurchase transactions in the regulated market) has grown by 16 percent compared to the previous quarter to amount to AMD 539 billion, of which AMD 219.5 billion were rollovers.

As of 31/03/2010 the volume of transactions executed as trust management has been AMD 2.0 billion, representing some 4 percent increase in relation to the previous quarter.

As of 31/03/2010 there have been 1552 issuer companies in the Central Depository of Armenia that maintained registries of holders of nominal securities and 124092 individuals as owners of securities issued by companies maintaining registries.

As of 31/03/2010 securities of 17 reporting issuers have been admitted to trading in the regulated market. 4 of them were banks. 11 issued shares (for a total value of AMD 30.1 billion) and 7 issued bonds (for a total value of AMD 3.7 billion). "Ararat Bank" JSC issued equity shares as well as debt securities. Part of debt securities (13 percent) issued covered companies engaged in the financial sector.

IMPROVEMENT IN FINANCIAL SYSTEM REGULATORY FRAMEWORK

During the first quarter of 2010 the Central Bank introduced changes to:

Regulation 2 'Regulation of Banking and Prudential Standards for Banking'. In particular:

- reserve requirement, which is defined at least 12 percent of funds attracted, will from now on be executed in dram, to the amount of 3 percent, and foreign currency, to the amount of 9 percent;
- commercial banks will carry on using a foreign currency disposition standard which, by August 1 2010, is defined as maximum ratio [10 percent] of the sum of long positions of all foreign currencies to total capital of the bank and, from August 1 2010, will be as maximum ratio [10 percent] of the gross foreign currency position to total capital of the bank; By July 31 2010, banks will be calculating maximum ratio [7 percent] of long positions of each foreign currency to total capital of the bank and, from August 1 2010, will be calculating maximum ratio [7 percent] of the open position of each foreign currency to total capital of the bank;
- there has been a limit applied to the share of retained earnings of the bank, in the calculation of total capital of the bank. The retained earnings of the bank should be included in the calculation by 150 percent utmost of the statutory capital of the bank;
- investments in equity of non-financial organizations should be deducted from core capital of the bank, provided these outstrip the established limits;
- the calculation of S3 Standard shall not be applied to the Government;
- there have been weights to stricter risk applied in respect of foreign currency assets in the calculation of Capital Adequacy Standard, so risk weights of 50, 75 and 100 percent applied to dram loans are lower in relation to risk weights of 75, 110 and 150 percent applied to foreign currency loans.

These changes are expected to create a ground for harmonization of regulatory framework of banking business with the risk level acceptable to the banking sector.

Changes have been made to the regulatory field of securities market, as well:

1. Regulation 4/10 'Publication of Offer for Delivery of Securities; Calculation of Market Price of Offer; and Execution of Offer or Advice to Accept or Decline the Offer for Delivery of Securities in Case of Terminating Admission to Trading in Regulated Market' has been approved under the Central Bank Board Resolution no. 2-N, dated January 19, 2010. This paper is called to establish rules that will be instrumental in defending interest of holders of securities and will be aligned to the EU criteria.

2. Manual 'Inspection at Investment Companies' has been approved under the Central Bank Board Resolution no. 1/139A, dated February 24, 2010. The manual will allow for comprehensive and thorough inspections at investment companies, required minimum action by supervisors during inspections as well as taking a unified approach for implementation of inspections, review and documentation of results. The manual is called to create an effective mechanism for evaluation of results of inspection according to individual segments. Evaluations incorporated in a single table will allow to understand which areas of an investment company are inclined to more risk, in what areas do problems and insufficiencies exist and how to plan for risk minimization and remedy actions in respect of the problems identified.

3. Regulation 4/03 'Statements of Investment Service Providers and Reporting to the Central Bank' has been approved under the Central Bank Board Resolution no. 55-N, dated March 30, 2010. There have been changes and supplements to this regulation pertaining to:

- a new Capital Adequacy Standard defined for investment companies, which brought new reporting tables in to the regulation;
- efforts for harmonization as much as possible with IOSCO principles, resulting, *inter alia*, in a provision that investment companies shall undertake to notify the Central Bank of any excessive diminishment of their regulatory total capital from an established threshold.

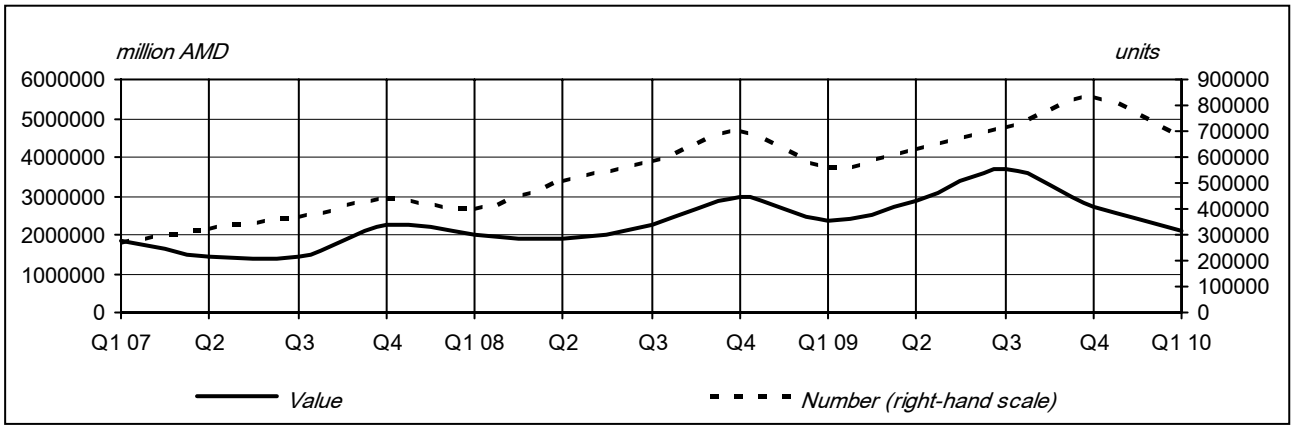
Payment and settlement relations in Q1, 2010

In the first quarter of 2010 the value of non-cash payment turnover in the Republic of Armenia has been AMD 2956 billion (a total of 1642319 transactions in number), of which AMD 2100 billion (675826 transactions in number) had been via the Central Bank's payment systems. In the first quarter the value of non-cash payments carried out via the Central Bank's systems has decreased by 12 percent (AMD 283 billion) in relation to the previous quarter, while the number of non-cash transactions has increased by 20 percent (by 112982 transactions in number). The value of transfers via the Central Bank's payment systems has decreased by 22 percent (AMD 596 billion) and the volume, by 156826 in number (by 19 percent), in relation to the fourth quarter of 2009.

The average daily value of transfers (excluding stock exchange transactions) using the Central Bank payment systems has been nearly AMD 33 billion, with 10560 transfer transactions in number. The average daily value of transfers on stock exchange transactions has reached AMD 148 billion (representing some 52 percent increase).

In the first quarter transfers initiated by and addressed to the Treasury have increased to amount to 44 percent of total value and 52 percent of total number of transactions of payments executed through the Central Bank (excluding transfers on stock exchange transactions). The total value of transfers addressed to and initiated by the Treasury through the Central Bank has increased in relation to the same quarter of the previous year by 40 percent (AMD 253 billion) and the total number of transfers, by 67170 in number (24 percent). Relative to the fourth quarter of 2009, the volume of these payments has decreased by 26 percent (AMD 307 billion).

Value and number of payments executed via the Central Bank systems (excluding stock exchange transactions)



In the first quarter of 2010 a total of 2301660 transactions amounting to AMD 106 billion have been executed in the Republic of Armenia by the use of payment cards. Of this, the value of non-cash card payments has been nearly AMD 7.6 billion. Of the non-cash turnover, e-payments on Internet amounted to AMD 1.7 billion (including e-commerce for a total of AMD 0.5 billion and card-to-card payments, AMD 1.2 billion). At the end of the quarter the total number of cards in circulation has been 612419, representing 5.7 percent increase (32988 cards in number) relative to the end of the fourth quarter of 2009. In the period under review the value of card-based non-cash payments has reached around 7 percent of total transactions by cards. Overall, the value of card-based non-cash transactions has grown by 16.5 percent (AMD 1.1 billion) in relation to the same period of the previous year.

In the first quarter of 2010 remittances to natural persons through commercial banks and transfer organizations have increased by 18 percent[1] in relation to the same period of the previous year and amounted to AMD 102 billion. In

[1] *Given exchange rate fluctuations, the calculated indicators (when expressed in US dollars determined by exchange rate of the Central Bank as of the closing of each month) of remittance to natural persons in the first quarter has been almost the same in relation to the previous year.*

the period under review, inbound transfers to natural persons through commercial banks and money transfer organizations have increased by 22 percent and amounted to AMD 53 billion. As a result, net inbound transfers to natural persons have totaled AMD 49 billion, representing AMD 6 billion increase relative to the first quarter of the previous year.

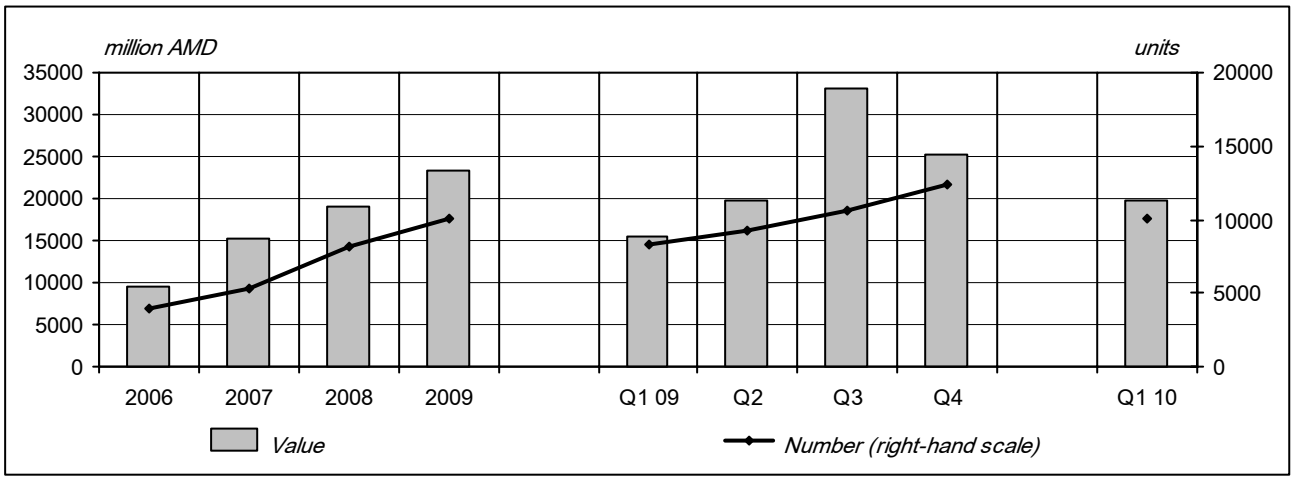
Fees charged for services provided by organizations engaged in processing and clearing of payment instruments as well as making money remittance totaled AMD 5.2 billion, including fees charged for services provided in the process of cooperation with commercial banks.

ELECTRONIC PAYMENTS SYSTEM

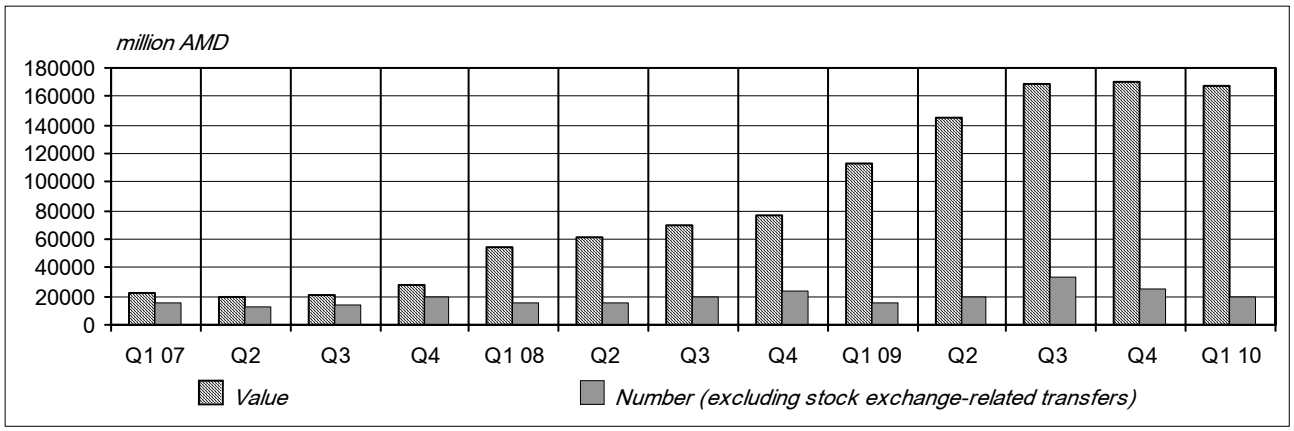
In the first quarter of 2010 the vast majority of payments via the Central Bank payment systems have been executed using the Electronic Payments System. Electronic payments of the system participants (excluding transfers related to stock exchange transactions) have averaged 60 percent in value and 94.8 percent in number, in total payments. The value of electronic payments has increased by 28 percent (AMD 275 billion) and the number of electronic payments, by 21 percent (110705 transactions) in relation to the same period of the previous year. In the structure of total electronic payments by commercial banks (excluding transfers related to stock exchange transactions), the value of electronic payments made up 77 percent (representing some 33 percent increase in relation to the same period of the previous year) and the number, 99.6 percent, in total payments.

In the first quarter of 2010, relative to the first quarter of 2009, the average daily number of transfers using the Electronic Payments System has increased by 1730 transactions, having reached a total of 10015, and the value of such transfers, by AMD 4 billion, having amounted to AMD 19 billion. The average daily transfers related to stock exchange trades have amounted nearly to AMD 148 billion (representing AMD 51 billion increase).

Average daily transfers executed via Electronic Payments System (excluding stock exchange transactions)



Stock exchange-related transfers executed via Electronic Payments System in average daily payments



The average amount per electronic transfer in the Electronic Payments System, excluding stock exchange trading-related transfers, has remained almost unchanged in relation to the same period of the previous year, having reached AMD 2 million. The average amount of a stock exchange trades-related transfer by commercial banks using the Electronic Payments System has made up AMD 1.9 billion.

Rejections in the Electronic Payments System constituted 0.08 percent of the number and 0.0026 percent of the value of initiated payments (498 transfers with a total value of AMD 2.8 billion). Rejections due to insufficient liquidity constituted 0.071 percent of the number and 0.0025 percent of the value of initiated payments (458 transfers with a total value of AMD 2.7 billion).

GROSS PAPER-BASED PAYMENT SYSTEM

In the first quarter of 2010 the paper-based payments have accounted for 32.81 percent in value and 5 percent in number of total bank payments executed via the Central Bank systems (relative to the same period of the previous year, the value of the transactions has reduced by 48 percent but the number has increased by 1 percent).

Payments executed by Central Bank, commercial banks and Treasury via the Central Bank systems

Period	Gross				Government securities accounting and settlements system		Total, via the CBA*		Stock exchange-related transfers	
	Electronic*		Paper							
	Value (million AMD)	Number	Value (million AMD)	Number	Value (million AMD)	Number	Value (million AMD)	Number	Value (million AMD)	Number
2009										
Q1	989806	530280	1333397	31860	59875	704	2383078	562844	6248937	4842
Share in payments (%)	41.54	94.21	55.95	5.66	2.51	0.13	100	100		
Q2	1260960	594690	1543120	31625	88900	924	2892981	627239	8021865	4499
Share in payments (%)	43.59	94.81	53.34	5.04	3.07	0.15	100	100		
Q3	2121563	679249	1410056	34893	154334	1044	3685953	715186	8675669	5429
Share in payments (%)	57.56	94.98	38.25	4.88	4.19	0.15	100	100		
Q4	1617979	789849	927797	41912	150323	891	2696098	832652	9242227	5689
Share in payments (%)	60.012	94.86	34.41	5.03	5.58	0.11	100	100		
Total	5990307	2594068	5214370	140290	453432	3563	11658110	2737921	32188698	20459
Share in payments (%)	51.38	94.75	44.73	5.12	3.89	0.13	100	100		
2010										
Q1	1262858	640985	688950	33795	148297	1046	2100105	675826	9496297	4963
Share in payments (%)	60.13	94.84	32.81	5.00	7.06	0.15	100	100		

** Excluding transfers related to stock exchange trades.*

The average daily paper-based payments executed via the Central Bank systems numbered 528 transactions, with a total value of AMD 11 billion (relative to the first quarter of 2009, the average daily value of transfers has reduced by AMD 10 billion). The average amount of a paper-based payment has reduced by about AMD 21 million to AMD 20 million. The growth of these paper-based payments is largely attributable to repurchase transactions.

In the first quarter of 2010 commercial banks reported 20 paper-based transfers executed between them, with a total value of AMD 4 billion.

GOVERNMENT SECURITIES ACCOUNTING AND SETTLEMENT SYSTEM

As of the end of the first quarter of 2010 there have been 5 agent banks and 17 dealer banks functioning in the territory of the Republic of Armenia as members of the Government Securities Accounting and Settlement System (GSASS), together with the Deposit Guarantee Fund, the Central Depositary of Armenia, the NASDAQ OMX Armenia JSC, one non-bank dealer, the Ministry of Finance of Armenia (as the issuer of government bonds), the Treasury Direct and the Central Bank of Armenia (as the issuer of Central Bank securities).

The GSASS has generated 454 instructions for a total value of nearly AMD 39 billion for primary allocation and redemption of government securities. This represented some AMD 5 billion increase in relation to the first quarter of

2009 (where payments for allocation of securities have increased by AMD 10 billion, while payments for redemption of securities have reduced by AMD 0.5 billion). Participants have transferred AMD 18 billion in return for government securities purchased at the primary allocation, while the Treasury has transferred AMD 21 billion for the redemption of government securities. The Treasury Direct has made payments of AMD 375 million for government securities, of which nearly AMD 66 million for allocation, and nearly AMD 309 million for redemption of government securities.

In the period under review, no transactions have been carried out by the GSASS in respect of primary allocation and redemption of the Central Bank securities.

In the first quarter the GSASS participants have made 592 transfers with a total value of AMD 109 billion for securities trades in the secondary market (on a principle of delivery versus payment). This represented AMD 86 billion increase in relation to the same period of the previous year. The operations of free delivery executed via the system have amounted to AMD 202 billion in nominal value and operations involving item of pledge have amounted to AMD 51 billion.

PAYMENT CARDS

As of the end of the first quarter of 2010 there have been 21 commercial banks that issued plastic cards or provided card services to customers. The number of commercial banks as members of the "Armenian Card" ("ArCa") Unified Card Payment System is 20.

In the period under review 34 more ATMs were installed to serve payment cards, and as of the end of the first quarter the total number of ATMs has been 736. The number of ATMs serving "ArCa" cards has increased to 677. The total number of POS terminals installed by commercial banks has increased to 2815, of which 446 are installed in branch offices of commercial banks. The total number of imprinters installed is 25.

Cards issued (serviced) by commercial banks operating in the Republic of Armenia

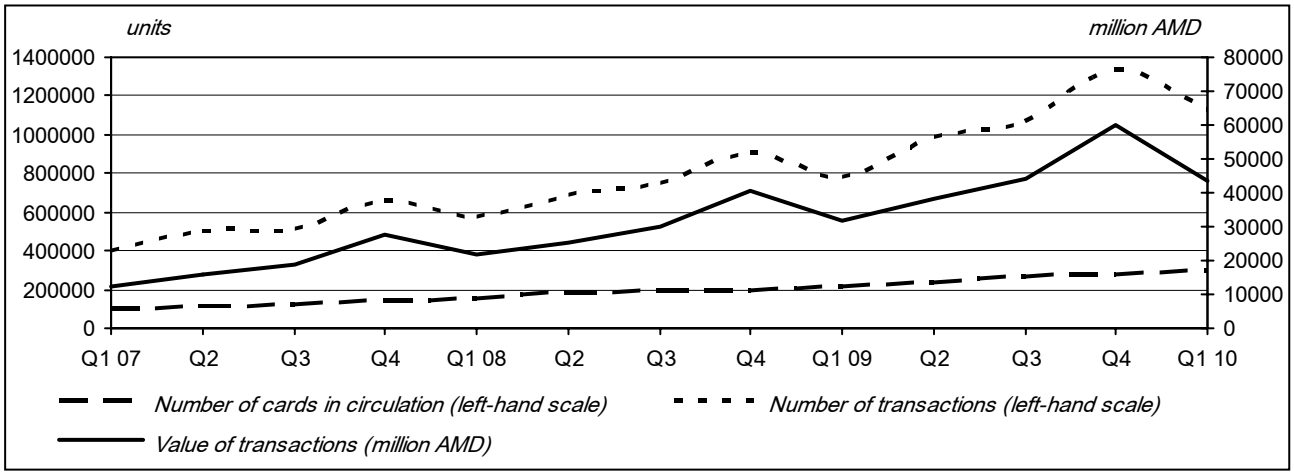
Banks	ArCa	MASTER CARD	VISA	AMEX	Other
Armbusinessbank	+	+	+		
Anelik Bank	+	+	+		
Ararat Bank	+	+			
Ameria Bank	+	+	+		
VTB-Armenia Bank	+		+		
Armeconombank	+	+			
Prometey Bank	+	+			
BTA Bank	+	+			
Armenian Development Bank	+	+			
Converse Bank	+	+	+		+
Ineco Bank	+	+			
Mellat Bank	+				
Byblos Armenia Bank	+	+			
HSBC Bank Armenia	+	+	+		+
ACBA-Credit Agricole Bank	+	+	+	+	
Artsakh Bank	+	+			
Cascade Bank	+	+			
Areximbank-Gazprombank	+	+	+	+	
Unibank	+	+	+		
Ardshininvestbank	+	+	+		
Armswissbank					
Procredit Bank			+		

As of the end of the first quarter of 2010 the number of ArCa cards in use has increased by 3.5 percent (9926 more cards) in relation to the previous quarter to make up 292090 cards. The number of international system cards has increased by 7.8 percent (23062 more cards), with VISA increased by 4.3 percent (8647 more cards) to have reached 210236, and MasterCard increased by 25.8 percent (15769 more cards) to have reached 76877. The number of other international cards has reduced by 3.9 percent (1354 less cards).

In the first quarter the value of card transactions has grown by 25 percent (AMD 21.3 billion) and the number, by 28 percent (508197 transactions) in relation to the first quarter of 2009.

A total of 1128175 transactions reaching AMD 43 billion have been carried out using ArCa cards. Both the value and number of transactions using ArCa cards have grown, respectively, by about 38 percent (AMD 12 billion) and by 44 percent (345052 transactions), in relation to the same period of previous year.

ArCA cards development dynamics

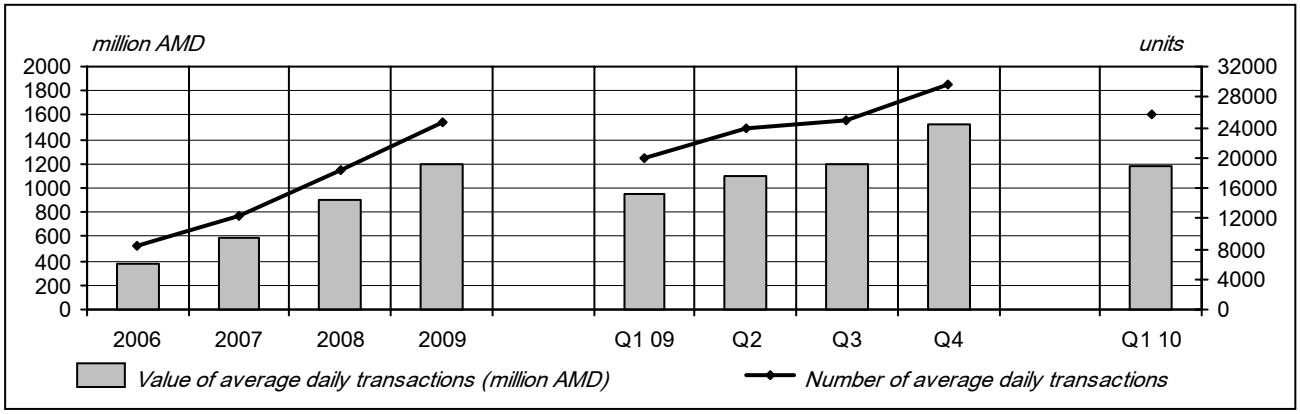


A total of 689353 transactions reaching AMD 39 billion have been carried out using VISA cards, and a total of 279803 transactions reaching AMD 14.6 billion have been carried out using MasterCard cards. The value and number of transactions using VISA and MasterCard have grown, respectively, by 26.9 percent (AMD 8 billion) and by 9.6 percent (AMD 1.3 billion), in relation to the first quarter of 2009. A total of 204329 transactions reaching AMD 9 billion have been carried out using other international cards. This represented some AMD 1.5 billion increase in relation to the same period of the previous year.

Transactions executed through card servicing devices (in the first quarter of 2010)

Device	Transactions			
	value (million AMD)	*number*	***Including by ArCA cards***	
			value (million AMD)	*number*
Automated teller machines	84457	1981253	37425	994462
o/w, non-cash	497	12904	33	5726
POS – terminals / imprinters	20384	258898	5542	106901
o/w, non-cash	5416	159118	2055	55002
Internet	1691	61772	501	26812
Total	106532	2301923	43468	1128175
o/w, non-cash	7604	233794	2589	87540

Average daily transactions by payment cards in Armenia 2006–2009, 2009–2010, by quarters



In the first quarter of 2010 the average daily value of transactions using cards has been AMD 1183 million, with an average daily number of 25574 transactions. Relative to the same period of the previous year, the average daily number of these transactions has increased by 28 percent (5647 more transactions) and the value, by 25 percent (AMD 236 million).

The average monthly value of cash transactions per card has been nearly AMD 50.000 and the average monthly value of non-cash transactions per card has been AMD 4.000 (the monthly number of such transactions using one card has been 1.1 and 0.1, respectively, which is almost the same in relation to the first quarter of 2009).

INTERNATIONAL MONEY TRANSFER SYSTEMS

Remittances of natural persons without opening bank accounts are carried out through the mediation of commercial banks and money transfer organizations, as licensed by the Central Bank, functioning in the territory of the Republic of Armenia. Armenia's commercial banks are members to a total of 17 international remittance systems.

Money transfer systems

Systems	Number of banks as members	Number of organizations as members	Share in inbound transfers, %
UNISTREAM	1		44.08
ANELIK	9	1	9.12
CONTACT	8	2	8.97
MIGOM	12	2	8.45
BISTRAYA POCHTA	12	1	4.24
MONEY GRAM	16	1	6.32
LIDER	8	1	2.32
INTEREXPRESS	3	1	2.19
ZOLOTAYA CORONA	4	1	8.24
BLIZKO	4	2	1.86
BTF-Sauz	1		0.74
FASTER	1	1	0.48
ALLUR	4		0.40
AVERS	2		0.09
XPRESS MONEY	1		0.04
INTEL EXPRESS	1		0.67
RIA MONEY TRANSFER	2	1	0.80
MONEY TUN	-	1	0.13
COINSTAR MONEY TRANSFER	1	1	0.34
STEFI	-	1	0.50

In the first quarter of 2010 the value of funds flown into the Republic of Armenia through the banks participating in these systems has amounted to AMD 69 billion (319336 remittances), which exceeded the value of outbound transfers 6.1-fold. Relative to the first quarter of 2009, the value of inbound remittances to the Republic of Armenia has increased by AMD 17 billion. The average amount of an incoming remittance to the Republic of Armenia through these systems has been AMD 216 thousand, representing an AMD 28 thousand increase in relation to the same period of the previous year.

In the first quarter of 2010, relative to the first quarter of 2009, the value of payments to natural persons executed through correspondent accounts of commercial banks operating in the Republic of Armenia has reduced by 4.7 percent (AMD 1.5 billion) to amount to AMD 32 billion. The average value per payment has remain almost at the same level, AMD 1.8 million. In the meantime, outbound remittances by natural persons through the correspondent accounts of commercial banks functioning in the Republic of Armenia have amounted to AMD 42 billion, up by 17 percent (AMD 6 billion) in relation to the first quarter of 2009.

In the first quarter of 2010 the value of gross transfers to the Republic of Armenia executed through correspondent accounts (via SWIFT, telex, facsimile) of the Armenian commercial banks has amounted to AMD 693 billion, with a total of 35629 remittances in number. The average value per transfer has amounted to AMD 19 million, representing some 27 percent increase in relation to the same quarter of the previous year.

PAYMENT AND SETTLEMENT ORGANIZATIONS

As of the end of the fourth quarter of 2009, there have been 10 payment and settlement organizations functioning in the territory of the Republic of Armenia, of which 3 are licensed only to carry out money remittances and 6 to carry out processing and clearing of payment instruments, in addition to money remittance.

The payment and settlement organizations ensure inbound payments through their membership to international payment systems. In the reporting period, these organizations have made AMD 1 billion-worth payments to their customers in the Republic of Armenia, of which AMD 0.9 billion of payments made through the membership to international payment systems. The total value of outbound transfers made by these organizations reached AMD 0.1 billion. In the period under review the share of money remittance organizations in the total value of international transfers (including banks) has been 0.2 percent for outbound transfers and 1 percent for inbound transfers. The average value of one inbound transfer to the customer through these organizations reached AMD 93 thousand. The average value of one payment through the money transfer systems has reduced by AMD 2 thousand in relation to the same period of the previous year.

Six organizations engaged in processing and clearing of payment instruments as well as money remittances use automated self-service terminals to accept cash payments for services of public importance. Such automated systems are used by these organizations to collect public utility fees and charges for as much as 33 organizations. As of the end of the first quarter of 2010 there have been 690 self-service terminals installed, through which a total of AMD 4.8 billion-worth of funds (1459797 transactions) have been collected. This represented 58 percent increase in relation to the same period of the previous year.

There are payment and settlement organizations that provide processing and clearing services to 9 commercial banks. These banks have collected public utility fees and charges through 109 registered cash centers. The value of funds collected by the latter has amounted to AMD 0.3 billion (49394 transactions). As of the end of the first quarter 22 branch offices opened by payment and settlement organizations have collected public utility fees and charges by the use of such cash centers. A total of 313602 transactions amounting to AMD 1.6 billion have been carried out through these cash centers.

In the period under review, the “ArCa” processing center carried out the processing of operations by cards with a total value of AMD 89 billion through card service devices (representing some 30 percent increase in relation to the first quarter of 2009). The value of operations by cards issued from foreign banks reached AMD 3.7 billion, while the value of operations by cards issued from Armenian banks through processing centers of other Armenian banks (including through centers abroad) reached AMD 9 billion.

Macroeconomic indicators
January-March 2010

(based on the figures provided by the National Statistics Service of Armenia, NSSA)

Real sector

Item	*January*	*January-February*	*January-March*	*Real growth index for January March 2010 to January-March 2009 (%)*
Gross Domestic Product *(million drams)*	167861.3[1]	345483.2[1]	568142.8	105.5
GDP deflator *(%)*	-	-	-	110.2
GDP per employee *(thousand drams, accrual)* [2]	156.4[1]	321.9[1]	529.3	105.4
Industrial production *(million drams)*	53657.8	111612.4	177490.3	110.4
Electricity production *(million kWh)*	542.2	1024.5	1584.5	109.8
Gross agricultural output *(million drams)*	14753.7	27794.4	42543.6	103.2
Retail trade turnover *(million drams)*	61556.6	136212.9	210927.7	101
Capital construction *(million drams)*	9838.0	21591.4	46718.1	99.4
Service *(million drams)*	47830.0	99332.7	171833.5	106.2
Average monthly nominal salary per employee *(drams)*	99560[1]	100965[1]	102712[1]	98.8[2]
Economically active population *(thousand people)*	1158.1	1157.9	1157.7	-
Registered unemployed *(thousand people)*	84.7	84.5	84.3	-
Unemployment rate *(%)*	7.3	7.3	7.3	-

External sector

Item	*January (million USD)*	*January-February (million USD)*	*January-March (million USD)*	*January-March 2010 to January-March 2009 (%)*
Export *FOB)*	53.9	121.4	198.5	160.2
Import *(CIF)*	242.5	503.8	814.2	122.4
Trade balance deficit	188.6	382.4	615.7	113.7

Price indices

Period	*Consumer price index*	*Producer price index*	*Capital construction price index*	*Agro-product sales price index*
to previous month (%)				
January	101.7	103.8	99.2	103.1
February	100.3	99.3	102.8	107.8
March	100.8	102.8	95.2	100.9
January-March 2010 to January-March 2009	108.4	137.7	100.1	113.6

Inflation

Period	*2008*	*2009*	*2010*	*2010*	*2010*
	to previous month (%)			*to previous December (%)*	*to the same month of previous year (%)*
January	2.4	1.2	1.7	1.7	7.0
February	1.1	-1.8	0.3	2.0	9.4
March	1.4	1.4	0.8	2.9	8.8
April	1.1	3.2			
May	1.3	1.6			
June	-0.5	-0.3			
July	-2.2	-2.7			
August	-0.7	-0.4			
September	0.5	0.7			
October	0.7	0.5			
November	0.1	1.2			
December	0.1	2.0			
Annual *(to previous December)*	5.2	6.5			
Annual *(to previous year)*	9.0	3.4			

Items having most contributed to inflation[2]

Item	to previous month, %	contribution, pp
CPI	**100.8**	-
Food products (including alcohol and tobacco), o/w:	**100.9**	**0.49**
meat products	101.5	0.14
sugar	106.1	0.09
fats and oils	101.5	0.06
bread products	100.3	0.04
vegetable and potato	100.8	0.04
fruit	101.4	0.04
Non-food products	**100.8**	**0.13**
personal use car and fuel	103.6	0.12
footwear	103.4	0.06
items of culture	97.2	-0.03
Services	**100.8**	**0.24**
medical	101.2	0.10
household	112.3	0.10

Change in core inflation[2]

Period	*2007*	*2008*	*2009*	*2010*
to previous month (%)				
January	0.19	0.40	-0.29	0.48
February	-0.07	0.83	-0.53	0.74
March	-0.06	0.66	1.14	0.82
April	0.31	1.26	1.46	
May	0.28	0.55	0.41	
June	-0.16	0.30	0.25	
July	-0.19	0.02	-0.22	
August	-0.16	0.06	0.37	
September	0.51	0.48	0.72	
October	0.80	0.10	0.48	
November	0.85	0.25	0.62	
December	0.30	0.08	0.61	
to the same month of previous year (%)				
January	1.97	2.91	4.63	6.20
February	2.21	3.77	3.02	7.59
March	2.07	4.54	3.33	7.14
April	2.05	5.66	3.47	
May	2.14	5.94	3.37	
June	2.05	6.47	3.36	
July	1.03	6.75	3.20	
August	1.18	6.97	3.52	
September	1.32	6.99	3.71	
October	1.94	6.21	4.16	
November	2.45	5.56	4.72	
December	2.70	5.37	5.25	

Items having most contributed to core inflation

Item	***Contribution to core inflation, pp***
to the same month of previous year %	
Core inflation, *o/w:*	**7.14**
petrol	1.20
beef	1.08
air fare	0.47
surgical services at hospitals	0.36
sugar	0.33
whitefish fresh	0.26
higher education services - tuition fee for baccalaureate	0.25
health and resort centers with lodgment, treatment and service facilities	0.18
vitamin C	0.18
flour first class	-0.06
egg	-0.19

[1] *Data have been revised by NSSA.*

[2] *According to Central Bank estimates based on information provided by NSSA.*

Central Bank relations with Treasury

(million AMD)

Period	Claims on Government			Government accounts and deposits					Net claims on Government
	Government short term bonds	Government medium term and long term bonds	Total	Central Government accounts and deposits in dram	Central Government accounts in foreign currency	PIU funds in dram	PIU funds in foreign currency	Total	
2009									
December[1]	0	25937	25937	177195	652	0	574	178420	**-152483**
2010									
January	0	25549	25549	198325	649	0	572	199546	**-173996**
February	0	23795	23795	184299	667	0	584	185550	**-161755**
March	0	22779	22779	176030	692	0	568	177290	**-154511**

[1] *Central Bank closing entries are included.*

Central Bank survey

(million AMD)

Indicators	2009	2010		
	D [2]	J	F	M [2]
(balance at the end of period)				
NET INTERNATIONAL RESERVES [1]	***523443***	***504130***	***477634***	***492491***
NET DOMESTIC ASSETS	***-11765***	***-46076***	***-30850***	***-27500***
Government	-152483	-173996	-161755	-154511
Banks	66184	55338	50253	59466
including: repo agreements	30854	8027	11255	15951
Central Bank foreign currency swap (attracted)	0	0	0	0
Deposits (-)	0	0	0	0
Reverse repo agreements (-)	0	0	0	0
Central Bank foreign currency swap (allocated) (-)	-3757	-3772	-3786	0
Central Bank issued securities (-)	0	0	0	0
Other assets net	74534	72583	80652	67545
MONETARY BASE	***511678***	***458054***	***446783***	***464990***
Currency outside Central Bank	320670	283193	283304	276380
Required reserves in dram	40450	29823	27460	27442
Required reserves in foreign currency	148673	143458	131985	157353
Other accounts	1885	1580	4033	3815
Other accounts in dram	1846	1564	4033	3735
Other accounts in foreign currency	40	16	0	80
(change to previous period)				
NET INTERNATIONAL RESERVES	-	***-19313***	***-26497***	***14857***
NET DOMESTIC ASSETS	-	***-34311***	***15225***	***3350***
Government	-	-21513	12241	7244
Banks	-	-10847	-5085	9213
including: repo agreements	-	-22827	3228	4696
deposits (-)	-	0	0	0
Central Bank issued securities	-	0	0	0
Other assets net	-	-1951	8069	-13107
MONETARY BASE	-	***-53624***	***-11271***	***18207***
Currency outside Central Bank	-	-37477	112	-6924
Required reserves in dram	-	-10627	-2363	-19
Required reserves in foreign currency	-	-5215	-11473	25368
Other accounts	-	-305	2453	-218
Other accounts in dram	-	-281	2469	-298
Other accounts in foreign currency	-	-24	-16	80
(percentage change to previous period)				
NET INTERNATIONAL RESERVES	-	***-3.7***	***-5.3***	***3.1***
NET DOMESTIC ASSETS	-	***-291.6***	***33.0***	***10.9***
Government	-	-14.1	7.0	4.5
Banks	-	-16.4	-9.2	18.3
Central Bank issued securities	-	0.0	0.0	0.0
Other assets net	-	-2.6	11.1	-16.3
MONETARY BASE	-	***-10.5***	***-2.5***	***4.1***
Currency outside Central Bank	-	-11.7	0.0	-2.4
Required reserves in dram	-	-26.3	-7.9	-0.1
Required reserves in foreign currency	-	-3.5	-8.0	19.2
Other accounts	-	-16.2	155.2	-5.4

[1] *Privatization accounts are excluded. Net international reserves (NIR) are the difference between foreign assets in convertible currency and foreign liabilities in convertible currency and Armenian drams. NIR are calculated using program exchange rates (USD 1 = AMD 385.00, SDR 1 = USD 1.5403, EUR 1 = USD 1.4182, GBP 1 = USD 1.4511).*

[2] *Central Bank closing entries are included.*

Depositary institutions survey[1]

(million AMD)

Indicators	2009	2010		
	D [6]	J	F	M [6]
(balance at the end of period)				
NET FOREIGN ASSETS [2]	***356510***	***356728***	***345911***	***336587***
NET DOMESTIC ASSETS	***458481***	***423097***	***453146***	***475687***
Government	-126349	-154703	-149628	-146682
Economy	774227	762526	779660	819857
Enterprises and organizations	405581	399878	408794	436052
o/w: interest accrued	4295	4434	4534	5094
Households	345655	341677	348684	362246
o/w: interest accrued	4909	5394	5405	5989
Not-for-profit organizations	10822	10393	10582	10937
o/w: interest accrued	31	31	29	33
Other financial organizations	12169	10578	11600	10622
o/w: interest accrued	82	35	38	36
Other assets net	-189397	-184726	-176886	-197488
DRAM BROAD MONEY [3]	***450878***	***412704***	***418265***	***400901***
BROAD MONEY [4]	***814990***	***779825***	***799057***	***812274***
Currency in circulation	282441	252619	254158	247353
Demand deposits in dram [5]	104354	97378	103782	92921
o/w: interest accrued	64	78	87	51
Term deposits in dram	64082	62707	60325	60628
o/w: interest accrued	1382	1385	1336	1434
Deposits in foreign currency	364113	367122	380792	411373
Demand [5]	113991	113680	120064	138208
o/w: interest accrued	19	24	34	19
Term	250122	253442	260728	273164
o/w: interest accrued	4074	4414	3639	3571
(change to previous period)				
NET FOREIGN ASSETS	-	***219***	***-10817***	***-9324***
NET DOMESTIC ASSETS	-	***-35384***	***30049***	***22541***
Government	-	-28354	5075	2946
Economy	-	-11701	17133	40197
Enterprises and organizations	-	-5703	8916	27258
o/w: interest accrued	-	140	99	560
Households	-	-3978	7007	13562
o/w: interest accrued	-	485	11	584
Not-for-profit organizations	-	-428	188	355
o/w: interest accrued	-	0	-2	4
Other financial organizations	-	-1591	1022	-978
o/w: interest accrued	-	-47	3	-2
Other assets net	-	4671	7841	-20602
DRAM BROAD MONEY	-	***-38174***	***5561***	***-17364***
BROAD MONEY	-	***-35165***	***19232***	***13217***
Currency in circulation	-	-29822	1539	-6805
Demand deposits in dram	-	-6977	6404	-10861
o/w: interest accrued	-	15	9	-36
Term deposits in dram	-	-1376	-2382	303
o/w: interest accrued	-	3	-50	98
Deposits in foreign currency	-	3009	13670	30581
Demand	-	-311	6384	18144
o/w: interest accrued	-	5	10	-15
Term	-	3320	7286	12436
o/w: interest accrued	-	341	-776	-68

(percentage change to previous period)				
NET FOREIGN ASSETS	-	***0.1***	***-3.0***	***-2.7***
NET DOMESTIC ASSETS	-	***-7.7***	***7.1***	***5.0***
Government	-	-22.4	3.3	2.0
Economy	-	-1.5	2.2	5.2
Enterprises and organizations	-	-1.4	2.2	6.7
Households	-	-1.2	2.1	3.9
Not-for-profit organizations	-	-4.0	1.8	3.4
Other financial organizations	-	-13.1	9.7	-8.4
Other assets net	-	2.5	4.2	-11.6
DRAM BROAD MONEY	-	***-8.5***	***1.3***	***-4.2***
BROAD MONEY	-	***-4.3***	***2.5***	***1.7***
Currency in circulation	-	-10.6	0.6	-2.7
Demand deposits in dram	-	-6.7	6.6	-10.5
Term deposits in dram	-	-2.1	-3.8	0.5
Deposits in foreign currency	-	0.8	3.7	8.0
Demand	-	-0.3	5.6	15.1
Term	-	1.3	2.9	4.8

[1] Includes indicators of Central Bank, commercial banks and credit organizations.

[2] NFA include only assets in convertible currency and external liabilities in convertible currency and in dram. NIR of Central Bank are calculated using program exchange rates (USD 1 = AMD 385.00, SDR 1 = USD 1.5403, EUR 1 = USD 1.4182, GBP 1 = USD 1.4511); NFA of commercial banks and credit organizations are calculated using actual exchange rates.

[3] Includes currency in circulation, residents' demand and term deposits and loans only in drams.

[4] Includes currency in circulation, residents' demand and term deposits and loans in drams, and deposits and loans in foreign currency.

[5] Including accounts.

[6] Central Bank closing entries are included.

Financial sector survey[1]

Indicators	2009	2010		
	D [4]	J	F	M [4]
(balance at the end of period)				
NET FOREIGN ASSETS [2]	***357180***	***357269***	***346458***	***336852***
Net foreign assets (Central Bank)	523443	504130	477634	492491
Net foreign assets (commercial banks)	-136286	-116532	-100003	-122428
Net foreign assets (credit organizations)	-30647	-30870	-31719	-33476
Net foreign assets (insurance companies)	671	540	547	265
NET DOMESTIC ASSETS	***448293***	***413454***	***443043***	***466094***
Net claims on Government	***-125638***	***-153846***	***-148722***	***-145853***
Net claims on Government (Central Bank)	-152483	-173996	-161755	-154511
Net claims on Government (commercial banks)	27146	19783	12951	9457
Net claims on Government (credit organizations)	-1012	-490	-824	-1628
Net claims on Government (insurance companies)	711	857	906	829
Claims on economy	***774594***	***763008***	***780256***	***820515***
Claims on economy (Central Bank)	866	840	858	996
Claims on economy (commercial banks)	722967	712111	728446	765845
Claims on economy (credit organizations)	50394	49575	50356	53015
Claims on economy (insurance companies)	367	482	597	658
Other assets net	***-200663***	***-195709***	***-188491***	***-208567***
FINANCIAL SECTOR LIABILITIES	***805473***	***770722***	***789502***	***802946***
Currency outside financial sector	282328	252548	254131	247334
Deposits [3]	512224	507129	523441	543271
Loans	8095	8269	9116	9392
Technical reserves of insurance companies	2827	2776	2813	2950
(change to previous period)				
NET FOREIGN ASSETS	-	***88***	***-10810***	***-9606***
Net foreign assets (Central Bank)	-	-19313	-26497	14857
Net foreign assets (commercial banks)	-	19755	16528	-22424
Net foreign assets (credit organizations)	-	-223	-849	-1757
Net foreign assets (insurance companies)	-	-131	7	(282)
NET DOMESTIC ASSETS	-	***-34839***	***29590***	***23051***
Net claims on Government	-	***-28208***	***5123***	***2869***
Net claims on Government (Central Bank)	-	-21513	12241	7244
Net claims on Government (commercial banks)	-	-7363	-6832	-3494
Net claims on Government (credit organizations)	-	522	-335	-803
Net claims on Government (insurance companies)	-	146	49	-77
Claims on economy	-	***-11586***	***17248***	***40258***
Claims on economy (Central Bank)	-	-25	18	138
Claims on economy (commercial banks)	-	-10856	16335	37400
Claims on economy (credit organizations)	-	-819	781	2660
Claims on economy (insurance companies)	-	115	115	61
Other assets net	-	***4955***	***7218***	***-20076***
FINANCIAL SECTOR LIABILITIES	-	***-34751***	***18779***	***13445***
Currency outside financial sector	-	-29779	1583	-6798
Deposits	-	-5095	16312	19829
Loans	-	174	848	275
Technical reserves of insurance companies	-	-51	37	138

[1] Includes indicators of Central Bank, commercial banks, credit organizations and insurance companies.
[2] NFA include only assets in convertible currency and external liabilities in convertible currency and in dram. NIR of Central Bank are calculated using program exchange rates; NFA of commercial banks, credit organizations and insurance companies are calculated using actual exchange rates.
[3] Including accounts.
[4] Central Bank closing entries are included.

Banking sector indicators

	Q1, 2009	Q2, 2009	Q3, 2009	Q4, 2009	Q1, 2010
Average quarterly assets[1] *(thousand AMD)*	1057798117	1104517748	1194990011	1274020263	1333813214
Average quarterly credits *(thousand AMD)*	613596656	620678104	641739877	684814048	717749949
Average quarterly liabilities *(thousand AMD)*	820005684	863753558	940720446	1006984009	1054084495
Average quarterly deposits *(thousand AMD)*	485098750	519116157	591252855	614453674	638588589
Average quarterly capital *(thousand AMD)*	237792433	240764190	254269565	267036255	279728720
Average quarterly total capital adequacy ratio *(%)*	27.9%	27.2%	28.6%	28.5%	28.8%
Average quarterly total liquidity ratio *(%)*	27.4%	31.0%	34.5%	34.7%	33.4%
Average quarterly current liquidity ratio *(%)*	123.0%	143.6%	149.6%	143.9%	140.5%

[1] *Average quarterly indicators are calculated using the median 3-month value of a quarter.*

Financial market interest rates

Indicators	2009 [3]	2010		
	D	J	F	M
DEPOSITS				
Up to 1 year				
Legal persons				
dram	7.5	6.5	7.8	7.6
foreign currency	6.9	5.4	6.5	6.0
Natural persons				
dram	9.1	9.1	9.2	9.4
foreign currency	5.5	5.3	6.2	6.0
Over 1 year				
Legal persons				
dram	7.9	8.2	8.7	8.2
foreign currency	8.3	8.2	7.4	8.3
Natural persons				
dram	10.8	11.1	11.2	11.8
foreign currency	8.7	8.6	9.5	9.2
LOANS				
Up to 1 year				
Legal persons				
dram	14.8	14.8	14.6	14.3
foreign currency	12.5	13.5	13.3	13.1
Natural persons				
dram	21.5	22.0	22.8	22.3
foreign currency	17.9	17.6	17.7	19.0
Over 1 year				
Legal persons				
dram	15.0	15.0	15.0	15.2
foreign currency	14.3	14.2	13.2	13.6
Natural persons				
dram	18.2	18.5	18.5	18.6
foreign currency	18.7	17.8	17.4	17.8
Mortgage loans to natural persons				
dram	13.7	13.3	12.9	13.4
foreign currency	16.0	15.1	14.7	15.2
Yield on Central Bank issued securities [1,2]	-	-	-	-
Yield on Government short-term securities [2]	8.9	8.8	8.9	9.2
Yield on Government medium-term securities [2]	13.4	13.5	13.5	13.4
Yield on Government long-term securities [2]	-	-	-	15.9

[1] *Includes securities with any maturity.*
[2] *Includes weighted average yield on securities in primary market.*
[3] *Includes interest rates for the last month of the year.*

Central Bank operations in financial market

(million AMD)

Period	Repo agreements[1]	Reverse repo agreements[1]	Deposits attracted[1]	Lombard repo[1]	Buying T-bills	Selling T-bills
2009						
January	218853.7	-	6500.0	-	-	-
February	228412.4	-	9100.0	-	-	-
March	232990.2	-	26860.0	-	-	-
April	213687.9	-	124250.0	-	9175.6	-
May	145137.3	-	33250.0	-	7229.2	-
June	114858.4	-	84370.0	-	3500.0	-
July	96939.9	-	361430.0	-	-	-
August	36895.6	-	360100.0	-	800.0	-
September	55537.3	-	109900.0	2874.3	-	-
October	28264.1	-	99850.0	21007.4	-	-
November	21030.7	-	114650.0	-	-	-
December	55779.8	-	40600.0	-	-	-
2010						
January	31000.0	-	300.0	47817	-	-
February	20000.0	-	12850.0	15259	-	-
March	16000.0	-	6700.0	107491	-	112.0

[1] *Repayment is not deducted.*

Interest rates of Central Bank operations in financial market

(%)

from/to	Operations		
	Repo agreements	Deposits attracted	Lombard repo[1]
27.12.2003-08.03.2004	9.00	5.00	20.00
09.03.2004-06.04.2004	6.00	3.00	20.00
07.04.2004-13.07.2004	6.00	1.00	20.00
14.07.2004-22.08.2004	5.00	1.00	20.00
23.08.2004-17.10.2004	4.00	1.00	16.00
18.10.2004-09.01.2005	3.75	1.00	16.00
10.01.2005-13.06.2005	4.50	1.75	16.00
14.03.2005-09.08.2005	3.75	1.75	16.00
10.08.2005-25.12.2005	3.00	1.00	16.00
26.12.2005-05.02.2006	3.50	1.00	16.00
06.02.2006-15.03.2006	4.00	1.00	16.00
16.03.2006-02.04.2006	4.00	1.00	12.00
03.04.2006-03.05.2006	4.00	1.00	8.00
04.05.2006-31.07.2006	4.00	1.00	7.00
01.08.2006-31.08.2006	4.25	1.00	7.00
01.09.2006-02.10.2006	4.50	1.50	7.50
03.10.2006-02.04.2007	4.75	1.75	7.75
03.04.2007-02.07.2007	4.50	1.50	7.50
03.07.2007-02.10.2007	4.75	1.75	7.75
03.10.2007-04.11.2007	5.00	2.00	8.00
05.11.2007-04.12.2007	5.25	2.25	8.25
05.12.2007-04.02.2008	5.75	2.75	8.75
05.02.2008-04.03.2008	6.00	3.00	9.00
04.03.2008-02.04.2008	6.25	3.25	9.25
03.04.2008-05.05.2008	6.50	3.50	9.50
06.05.2008-03.06.2008	6.75	3.75	9.75
04.06.2008-02.07.2008	7.00	4.00	10.00
03.07.2008-04.08.2008	7.25	4.25	10.25
05.08.2008-02.09.2008	7.50	4.50	10.50
03.09.2008-02.12.2008	7.75	4.75	10.75
03.12.2008-13.01.2009	7.25	4.25	10.25
14.01.2009-10.02.2009	7.00	4.00	10.00
11.02.2009-03.03.2009	6.75	3.75	9.75
04.03.2009-07.04.2009	7.75	4.75	10.75
08.04.2009-12.05.2009	7.50	4.50	10.50
13.05.2009-22.05.2009	7.25	4.25	10.25
23.05.2009-09.06.2009	6.25	3.25	9.25
10.06.2009-08.07.2009	6.00	3.00	9.00
08.07.2009-11.08.2009	5.50	2.50	8.50
12.08.2009-08.09.2009	5.25	2.25	8.25
09.09.2009-06.10.2009	5.00	2.00	8.00
07.10.2009-10.11.2009	5.00	2.00	8.00
11.11.2009-20.01.2010	5.00	2.00	8.00
21.01.2010-16.02.2010	5.50	2.50	8.50
17.02.2010-09.03.2010	6.00	3.00	9.00
10.03.2010-18.03.2010	6.50	3.50	9.50
19.03.2010-	6.50	3.50	11.50

[1] *Before February of 2010 this operation has been called* ***Lombard Facility****.*

Repo market turnover

Indicators	up to 7 days		8 – 14 days		15 – 28 days		28 days and over		Total	
	million AMD	%	million AMD	%	million AMD	%	million AMD	%	million AMD	%
January 2010	***29343.93***	***7.50***	***8447.37***	***7.90***	***2948.00***	***8.47***	***3780.00***	***8.82***	***44519.296***	***7.75***
Max interest rate		10.25		10.00		9.00		9.50		10.25
Min interest rate		5.00		6.50		6.00		6.00		5.00
Standard deviation		1.36		1.11		1.02		1.27		1.28
February	***46476.19***	***8.54***	***14073.13***	***8.73***	***4837.56***	***9.13***	***1584.08***	***8.13***	***66970.969***	***8.61***
Max interest rate		10.50		10.00		10.00		9.00		10.50
Min interest rate		6.00		6.00		8.50		7.00		6.00
Standard deviation		0.87		0.62		0.43		0.76		0.81
March	***52927.50***	***9.96***	***18124.01***	***10.28***	***2149.30***	***10.08***	***8507.00***	***9.64***	***81707.811***	***10.00***
Max interest rate		14.00		14.00		13.50		13.75		14.00
Min interest rate		7.00		7.00		9.00		8.25		7.00
Standard deviation		1.73		1.80		1.81		1.98		1.76
Total	***128747.62***	***8.89***	***40644.51***	***9.25***	***9934.86***	***9.14***	***13871.08***	***9.24***	***193198.076***	***9.00***
Max interest rate		14.00		14.00		13.50		13.75		14.00
Min interest rate		5.00		6.00		6.00		6.00		5.00
Standard deviation		1.75		1.82		1.29		1.96		1.76

Average AMD/USD exchange rate

Day	D - 09	J - 10	F - 10	M - 10
1	385.67	-	376.03	384.54
2	385.60	-	375.83	385.64
3	385.44	-	376.29	385.68
4	385.21	-	378.24	386.53
5	-	-	378.12	388.09
6	-	-	-	-
7	385.01	-	-	-
8	384.80	-	378.25	-
9	384.57	-	378.52	388.92
10	383.90	-	378.90	389.94
11	383.63	378.21	381.41	391.41
12	-	378.08	381.26	392.62
13	-	378.14	-	-
14	383.07	377.61	-	-
15	382.50	377.36	381.12	394.48
16	381.59	-	381.33	395.91
17	377.91	-	381.34	400.10
18	375.14	377.27	381.58	404.36
19	-	377.22	381.75	404.34
20	-	377.36	-	-
21	373.97	377.48	-	-
22	374.46	377.75	382.14	402.68
23	375.80	-	382.13	399.33
24	376.92	-	382.41	394.40
25	377.57	377.81	384.37	393.54
26	377.81	377.83	384.65	394.62
27	377.32	377.45	384.65	-
28	-	-	-	-
29	377.61	376.69	-	396.59
30	377.89	376.69	-	398.29
31	377.89	-	-	400.50
Period end	**377.89**	**376.69**	**384.65**	**400.50**
Period average	**380.47**	**377.53**	**380.49**	**394.21**

Armenia's international reserves[1]

(million USD)

Indicators	2009	2010		
	D [3]	J	F	M [3]
Gross international reserves *(excluding privatization account)*	2003.7	1938.4	1848.6	1911.3
Gross international reserves	2003.7	1938.4	1848.6	1911.3
Gold	0	0	0	0
SDR in the IMF	124.7	123.6	120.2	118.3
Reserve position with the IMF	0	0	0	0
Foreign currency[2]	1879.0	1814.8	1728.4	1792.9

[1] *Calculated using actual exchange rates.*

[2] *Includes assets in convertible currency only.*

[3] *Central Bank closing entries are included.*

International investment position of Armenian commercial banks and credit organizations

(million USD)

Indicators	Balance as of 31/12/2009	Change					Balance as of 31/03/2010
		Due to operations	Due to price changes	Due to exchange rate changes	Other adjustments	Overall change	
Assets	**514.6**	**35.9**	**0.0**	**-11.2**	**0.0**	**24.7**	**539.3**
Direct investments abroad	5.3	-0.5	0.0	-0.3	0.0	-0.8	4.5
Equity	1.0	0.0	0.0	-0.1	0.0	-0.1	0.9
Reinvested profit	4.4	-0.5	0.0	-0.2	0.0	-0.8	3.6
Other capital							
Portfolio investments	1.7	0.0	0.0	0.0	0.0	0.0	1.6
Shares	1.6	0.0	0.0	0.0	0.0	0.0	1.6
Debt liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	507.6	36.5	0.0	-10.9	0.0	25.6	533.2
Loans	124.0	2.4	0.0	-2.6	0.0	-0.3	123.8
Long-term	6.6	-0.3	0.0	-0.1	0.0	-0.4	6.2
Short-term	117.4	2.7	0.0	-2.6	0.0	0.1	117.6
Available funds and deposits	346.8	38.0	0.0	-6.7	0.0	31.3	378.1
Currency	70.4	23.7	0.0	-0.9	0.0	22.8	93.3
Deposits	276.4	14.2	0.0	-5.8	0.0	8.4	284.8
Long-term	2.0	-0.2	0.0	0.0	0.0	-0.2	1.8
Short-term	274.4	14.4	0.0	-5.8	0.0	8.6	283.0
Other assets	36.8	-3.8	0.0	-1.6	0.0	-5.5	31.3
Long-term							
Short-term	36.8	-3.8	0.0	-1.6	0.0	-5.5	31.3
Liabilities	**1340.0**	**7.4**	**0.0**	**-34.2**	**0.0**	**-26.9**	**1313.2**
Direct investments in Armenia	467.3	10.7	0.0	-27.1	0.0	-16.4	451.0
Equity	363.4	3.5	0.0	-20.7	0.0	-17.1	346.3
Reinvested profit	96.7	7.6	0.0	-6.1	0.0	1.5	98.3
Other capital	7.2	-0.4	0.0	-0.3	0.0	-0.8	6.4
Portfolio investments	20.8	6.3	0.0	-0.5	0.0	5.8	26.6
Shares	8.2	0.0	0.0	-0.5	0.0	-0.5	7.7
Debt liabilities	12.6	6.3	0.0	0.0	0.0	6.3	18.8
Bonds	12.5	6.3	0.0	0.0	0.0	6.3	18.8
Money market instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	851.9	-9.6	0.0	-6.7	0.0	-16.3	835.6
Loans	464.2	8.5	0.0	-0.9	0.0	7.7	471.9
Long-term	431.4	13.7	0.0	-0.8	0.0	12.9	444.3
Short-term	32.8	-5.1	0.0	-0.1	0.0	-5.2	27.6
Available funds and deposits	382.2	-20.6	0.0	-5.6	0.0	-26.1	356.1
Long-term	74.5	11.1	0.0	-0.6	0.0	10.5	85.0
Short-term	307.7	-31.6	0.0	-5.0	0.0	-36.6	271.1
Other liabilities	5.5	2.4	0.0	-0.2	0.0	2.2	7.6
Long-term							
Short-term	5.5	2.4	0.0	-0.2	0.0	2.2	7.6
Investment position net	**-825.4**	**28.6**	**0.0**	**23.0**	**0.0**	**51.6**	**-773.9**

Foreign assets and liabilities of commercial banks and credit organizations by currency composition

(million USD)

	Q4, 2009						Q1, 2010					
		Foreign currency						Foreign currency				
	AMD	USD	EUR	RUR	Other	Total	AMD	USD	EUR	RUR	Other	Total
Assets	**12.6**	**178.8**	**75.1**	**43.5**	**3.3**	**300.7**	**8.0**	**199.8**	**91.0**	**18.5**	**3.4**	**312.8**
Equity shares	0.04	0.27	0.02	6.85	0.00	7.2	0.0	0.4	0.0	5.5	0.0	6.0
Debt securities	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.1
Available funds	-	17.7	10.8	13.7	0.3	42.5	-	59.5	17.9	5.5	0.3	83.2
Loans, including overdrafts and credit cards	11.9	9.2	0.3	0.0	0.0	9.5	7.3	14.8	2.0	0.0	0.0	16.8
Deposits	0.0	148.5	62.8	21.9	2.7	236.0	0.0	118.7	70.4	7.1	3.0	199.2
Other	0.6	3.1	1.2	1.0	0.3	5.5	0.7	6.4	0.7	0.4	0.1	7.5
Liabilities	**528.5**	**788.6**	**52.4**	**9.3**	**3.6**	**853.8**	**384.2**	**835.6**	**54.1**	**4.2**	**24.8**	**918.7**
Equity shares	453.5					0.0	340.2	-	-	-	-	-
Debt securities	0.0	6.6	0.0	0.0	0.0	6.6	0.0	6.4	0.0	0.0	0.0	6.4
Loans, including overdrafts and credit cards	18.83	537.08	12.21	4.82	0.00	554.1	11.3	506.6	11.6	0.0	0.0	518.2
Deposits	55.3	236.2	39.4	3.8	3.4	282.9	31.3	320.5	42.1	3.5	24.7	390.8
Other	0.91	8.68	0.76	0.64	0.16	10.2	1.3	2.1	0.4	0.7	0.1	3.3
Position net*	**-515.9**	**-609.8**	**22.7**	**34.2**	**-0.3**	**-553.1**	**-376.2**	**-635.7**	**36.9**	**14.3**	**-21.3**	**-605.9**

** Unlike commercial banks' NFA in broad money, Unlike commercial banks' NFA in broad money, 'Equity shares' in the liabilities side as well as non-convertible currency are included.*

Individuals' remittances via the banking system, by country

(thousand USD)

Country	2009														
	Q1			Q2			Q3			Q4			Total		
	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows
Russia	146247	24365	121882	214851	26429	188422	302263	95496	206767	286612	43784	242828	949974	190074	759899
USA	18310	22504	-4193	33230	19482	13748	29614	30799	-1185	34079	40725	-6646	115233	113509	1724
Ukraine	3795	2830	965	6174	3549	2624	7948	3662	4286	4679	4660	19	22597	14702	7895
Kazakhstan	3576	251	3326	5295	704	4591	6942	656	6285	6717	500	6217	22531	2111	20419
Germany	3948	4564	-616	5824	6152	-328	5400	4275	1125	6194	6202	-8	21366	21193	173
Spain	1488	1299	189	2789	1374	1414	2120	2592	-471	2895	3197	-302	9292	8462	830
France	2110	3761	-1650	2957	2438	518	3519	6069	-2550	4198	2557	1641	12783	14825	-2042
UAE	3843	18888	-15045	3562	15958	-12396	4871	18428	-13557	3426	20922	-17497	15702	74197	-58495
China	310	10400	-10091	372	11401	-11029	336	22245	-21909	393	18381	-17989	1411	62428	-61017
Turkey	593	8178	-7585	793	7944	-7151	935	11918	-10983	1258	12136	-10878	3579	40176	-36597
Other	77562	34459	43103	61526	32242	29284	180689	45914	134775	81433	98078	-16645	401210	210692	190517
Total	261782	131498	130284	337372	127673	209699	544638	242055	302583	431885	251144	180741	1575678	752370	823308

(thousand USD)

Country	2010		
	Q1		
	Inflow	Outflow	Net flow
Russia	162769	30091	132678
USA	29544	27586	1958
Ukraine	3798	5127	-1328
Kazakhstan	3262	749	2513
Germany	4667	3605	1062
Spain	1381	1984	-603
France	3114	2210	904
UAE	2682	14159	-11477
China	560	15661	-15101
Turkey	665	7363	-6698
Other	49254	30095	19159
Total	261696	138629	123067

Individuals' non-commercial remittances via the banking system, by country

(thousand USD)

Country	2009														
	Q1			Q2			Q3			Q4			Total		
	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows	Inflow	Outflow	Net flows
Russia	140991	20738	120252	208395	21470	186925	279750	25852	253898	274876	31465	243412	904011	99524	804487
USA	11478	5349	6129	14700	4865	9836	15354	6422	8933	17756	6697	11058	59288	23332	35956
Ukraine	3735	2042	1694	6148	2633	3515	7872	2662	5210	4663	3065	1598	22418	10401	12017
Kazakhstan	2815	161	2654	4375	246	4130	4997	224	4774	5329	323	5006	17517	954	16563
Germany	2227	875	1352	2859	769	2090	3079	1326	1753	3014	1306	1708	11178	4276	6902
Spain	1294	444	851	1703	343	1360	1673	378	1295	2169	728	1440	6839	1893	4946
France	1332	834	498	1730	553	1177	1537	679	857	2595	782	1813	7194	2849	4345
UAE	1827	1546	280	901	1011	-110	1395	2383	-987	646	2764	-2118	4769	7704	-2935
China	125	982	-857	171	1287	-1116	92	2039	-1947	166	1481	-1315	554	5789	-5235
Turkey	208	1029	-821	542	1240	-698	639	1753	-1114	564	1983	-1419	1953	6005	-4052
Other	17814	6317	11497	21373	6340	15034	23360	9417	13943	25850	10081	15769	88398	32155	56243
Total	183846	40317	143529	262898	40757	222141	339749	53134	286615	337626	60676	276951	1124119	194884	929235

(thousand USD)

Country	2010		
	Q1		
	Inflow	Outflow	Net flow
Russia	155597	23811	131786
USA	14182	5566	8616
Ukraine	3783	2959	825
Kazakhstan	2829	157	2673
Germany	2666	983	1683
Spain	1167	380	787
France	2053	755	1298
UAE	733	1535	-803
China	140	1225	-1085
Turkey	254	1243	-989
Other	20182	7632	12551
Total	203587	46246	157341

CENTRAL BANK STATEMENT ON FINANCIAL STANDING

(as of March 31, 2010)

(thousand AMD)

	31.03.10	*31.12.09*
Assets		
Assets in foreign currency		
Cash	8,242,760	7,776,292
Funds allocated with banks and other financial institutions	310,780,745	221,678,070
Financial instruments at fair value which, when re-measured, generate gains and losses that are recognized in financial account	399,132,235	459,234,675
Assets available for sale	917	917
Assets held up to maturity	0	25,171,087
Holdings with the IMF	103,336,943	101,621,324
Other assets	837,519	666,956
	822,331,119	**816,149,321**
Assets in local currency		
Loans and reverse repurchase agreements	60,461,959	70,735,139
Assets available for sale	121,046,395	121,204,193
Assets held up to maturity	3,927,851	3,862,867
Fixed assets	16,663,261	15,762,787
Intangible assets	498,578	427,907
Other assets	2,542,374	2,451,325
	205,140,418	**214,444,218**
Assets, total	**1,027,471,537**	**1,030,593,539**
Liabilities and Equity		
Liabilities in foreign currency		
Deposits and account balances of financial institutions and other institutions	159,323,358	150,616,174
Liabilities to Government	16,447,200	1,329,188
Liabilities to the IMF	97,739,659	95,263,527
Financial instruments at fair value which, when re-measured, generate gains and losses that are recognized in financial account	114,808	36,588
Other borrowing	28,764,520	28,309,397
Other liabilities	187,565	206,504
	302,577,110	**275,761,378**
Liabilities in local currency		
Notes and coins in circulation	**276,380,396**	**320,669,631**
Deposits and account balances of financial institutions and other institutions	*38,342,866*	*53,204,221*
Liabilities to Government	*176,030,098*	*177,194,796*
Liabilities to the IMF	*191,432,871*	*172,556,583*
Other liabilities	871,187	853,302
	683,057,418	**724,478,533**
Liabilities, total	**985,634,528**	**1,000,239,911**
Equity		
Capital issued	**100,000**	**100,000**
General reserve	**11,392,622**	**11,392,622**
Additional statutory capital	*85,663,194*	*85,663,194*
Revaluation reserve for assets available for sale	*(2,501,631)*	*(1,414,100)*
Loss accrued	*(52,817,176)*	*(65,388,088)*
Equity, total	**41,837,009**	**30,353,628**
Liabilities and equity, total	**1,027,471,537**	**1,030,953,539**

This Central Bank statement on financial standing approved by the Board of Central Bank on May 25, 2010 and signed thereafter.

ARTHUR JAVADYAN — *Chairman*

HAYKANUSH HAKOBYAN — *Chief Accountant*

ARMENIA'S INTERNATIONAL RESERVES

By virtue of Article 52 of the Republic of Armenia Law on Central Bank, the Central Bank hereby presents

I N F O R M A T I O N

on condition and composition of Armenia's international reserves

Q1, 2010 (closing entries included)

Beginning of quarter	**SDR**		**USD**
I. Gross foreign assets			2,003,675,650.04
o/w:			
International reserves (gross foreign assets in convertible currency)			2,003,675,041.31
o/w:			
SDR with the IMF	79,537,516.00		124,690,210.24
Reserve position with the IMF	0.00		0.00
II. Foreign assets net			1,363,783,517.51
o/w: in convertible currency			1,363,782,908.79

End of quarter			
I. Gross foreign assets			1,911,262,478.59
o/w:			
International reserves (gross foreign assets in convertible currency)			1,911,261,880.82
o/w:			
SDR with the IMF	77,946,568.60		118,341,668.87
Reserve position with the IMF	0.00		0.00
II. Foreign assets net			1,256,767,387.65
o/w: in convertible currency			1,256,766,789.87

ARTHUR JAVADYAN
Chairman